

**Police Pension Fund  
Board Minutes  
Of  
March 13, 2008**

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**PRESENT:** David M. Cituk, Ryan Hottenstein, William Heim, Michael A. Fizz, Steven E. Houpp, Louis R. Rizzuto (Solicitor), Christine Moszcienski (HR Coordinator/Benefits)

**ABSENT:** Thomas McMahon, Michael Fizz

**AUDIENCE:** Edward Kosmerl, David Soja, Michael Dobrosky, Craig Christman, Charles Broad, Robert Dunmoyer, Donald Bitting

**ORDER:** Meeting was called to order by David M. Cituk @ 10:10 A.M.

**PRESENTER:** **1. Roger Barilani – Wachovia Securities**

**Re: Portfolio Performance Review**

Mr. Barilani introduced Jeffrey Kline, the newest member of his team, to the members of the Board. The current portfolio value is \$75.5 million. Mr. Barilani asked if the Board made a decision on the small and mid cap managers as presented at the January meeting where Mr. Yaniello presented the Board with information on small and mid cap managers. Mr. Barilani recommends Fred Alger as a small/mid cap manager. He also recommends Systematic as a mid cap value manager. This matter remains on the table until the next (April) meeting.

**Michael Malinowski – Engle, Hambright & Davies**

**Re: Act 30 Coverage**

Mr. Malinowski informed the members of the Board that Act 30 is a legislative amendment to the Municipal Police Pension Law, commonly known as Act 600. Act 30 requires a "killed in service" benefit for a police officer's spouse or dependent children – and mandates that the benefit be "100% of the officer's salary" for the rest of the spouse's life. Act 30 eliminates the remarriage penalty. Act 30 also increased the eligibility age to 23 of dependent children who attend college. Mr. Malinowski informed the board that they can either be self insured or purchase a policy. The policy would reimburse the Police Pension Fund when they are paying out 100% of the salary. There is an option to choose who has coverage and who does not have coverage. The City of Reading Police Pension Fund is not under Act 600. The City of Reading does provide 100% to surviving spouses.

**MINUTES:**

**MOTION** by Hottenstein/Houp to approve the minutes dated February 14, 2008.....**MOTION PASSED UNANIMOUSLY**

**FINANCIAL REPORTS:**

**MOTION** by Houp/Heim to approve the following financial Reports ...**MOTION PASSED UNANIMOUSLY.**

Financial Report	February 2007
Statement of Transactions	February 2007

**BILLS:**

**MOTION** by Hottenstein/Houp to pay the following bills.....**MOTION PASSED UNANIMOUSLY.**

1. Lou Rizzuto – Legal Fees	\$ 562.50
2. City of Reading – Admin Exp.	\$ 9,707.74

**APPLICATIONS:** None.

**D.R.O.P.**

**APPLICATIONS:** None.

**REFUNDS:** None.

**CORRES-**

**PONDENCE:** None.

**OLD****BUSINESS:****1. Calendar Year**

Some pension recalculations have been completed for the affected persons. The adjustments must be made for anyone who retired or entered into the DROP program as of date of grievance (2005). The statute of limitations of the contract is six (6) years. The recalculation of pensions for affected persons will be from going back six (6) years from the date of the grievance (9/23/2005).

**2. D.R.O.P. Dates**

The D.R.O.P. dates have been corrected on the affected DROP participants. Toyia has sent a letter to inform the individual DROP participants who have had their DROP exit dates amended in accordance with the new CBA.

### **3. Pension Administrator Position**

HR Director Christine Wheelan and HR Supervisor, Sandy Hummel attended the board meeting to address the matter of Toyia's hours spent on pension duties as well as HR duties. Sandy assured the Board that Toyia does not devote her time to HR duties. She does volunteer on several committees (United Way, HPO, and Relay for Life). Toyia does process HR Accounts Payable forms for the department. Toyia does cover the office for 1 hour at lunchtime. Sandy asked the members of the board to bring any issues that may arise with Toyia to her attention.

### ***NEW***

### **BUSINESS:**

#### **Cost of Living Adjustment**

Councilman Marmarou expressed his gratitude to the members of the board for submitting their recommendation to City Council to issue a Cost of Living Adjustment to the retirees. Board solicitor, Lou Rizzuto has submitted a request to amend the Ordinance in an effort to issue the Cost of Living Adjustment to the widows.

**ADJOURNMENT:** **MOTION** by Heim/Hottenstein to adjourn @ 11:00 A.M.

Respectfully submitted: \_\_\_\_\_  
HR Coordinator/Pension